AMENDED IN SENATE FEBRUARY 18, 2004
AMENDED IN SENATE FEBRUARY 11, 2004
AMENDED IN SENATE AUGUST 26, 2003
AMENDED IN SENATE AUGUST 18, 2003
AMENDED IN SENATE JUNE 23, 2003
AMENDED IN ASSEMBLY JUNE 2, 2003
AMENDED IN ASSEMBLY MARCH 17, 2003

CALIFORNIA LEGISLATURE—2003-04 REGULAR SESSION

## ASSEMBLY BILL

No. 356

Introduced by Assembly Member Hancock
(Principal coauthors: Assembly Members Montanez and Mullin)
(Coauthors: Assembly Members Diaz, Firebaugh, Frommer,
Koretz, Levine, Longville, and Nunez)
(Coauthors: Senators Kuehl and Speier)

February 11, 2003

An act to amend Sections 44650, 44651, 44652, 52055.655, 52057, 60851, and 60856 of, to amend, repeal, and add Sections 60603, 60604, 60605, 60605.6, 60606, 60640, 60642.5, 60643, and 60643.1 of, and to repeal Sections 44653, 44654, and 60859 of, the Education Code, relating to education testing.

LEGISLATIVE COUNSEL'S DIGEST AB 356, as amended, Hancock. Education: pupil testing.

AB 356 -2-

(1) Existing law establishes the Public Schools Accountability Act of 1999, which consists of the Academic Performance Index, the Immediate Intervention/Underperforming Schools Program, and the Governor's High Achieving/Improving Schools Program. Under the existing act, schools receive monetary and nonmonetary awards for high achievement and improvement and sanctions for continued low performance.

This bill would delete the monetary rewards provisions from the act and would make conforming changes.

(2) Existing law, the Standardized Testing and Reporting (STAR) Program, requires, commencing with the 2004–05 school year, that each school district, charter school, and county office of education administer to each of its pupils in grades 3 and 8 a designated achievement test and to each of its pupils in grades 2 to 11, inclusive, a standards-based achievement test.

This bill would exclude pupils in grade 2 from the standard-based achievement test requirement and make conforming changes. These provisions would become operative on July 1, 2005.

(3) Existing law requires, commencing with the 2003–04 school year, that a pupil completing grade 12 successfully pass a high school exit examination as a condition of receiving a diploma of graduation or a condition of graduation from high school.

This bill would postpone the beginning of the exit examination requirement to the 2005–06 school year, would authorize school districts to decide how to use the results of the high school exit examination as part of their local graduation requirements until the 2005–06 school year, and would make conforming changes.

(4) Existing law establishes the Certificated Staff Performance Incentive Program for the purpose of awarding monetary performance awards to teachers and other certificated staff in underachieving schools, if the academic performance of pupils significantly improves, as specified.

This bill would delete the provisions regarding monetary awards and would specify that the awards be nonmonetary.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

\_3 \_ AB 356

The people of the State of California do enact as follows:

SECTION 1. Section 44650 of the Education Code is amended to read:

- 44650. (a) The Certificated Staff Performance Incentive Act is hereby established for the purpose of awarding nonmonetary, one-time performance awards to teachers and other certificated staff in underachieving schools, where the academic performance of pupils significantly improves beyond the minimum percentage growth target established pursuant to Section 52052.
- (b) The State Board of Education shall establish criteria for determining the eligibility of schools to receive the awards.
- 11 (c) This article shall be implemented subject to the 12 appropriation of funds for the purpose of this article in the annual 13 Budget Act.
  - SEC. 2. Section 44651 of the Education Code is amended to read:
  - 44651. (a) Any school district or charter school that maintains classes in kindergarten or any of grades 1 to 12, inclusive, may apply for an award under this article if it meets the conditions of subdivision (b). County boards of education, county superintendents of schools, and state agencies are not eligible to participate.
  - (b) To be eligible for an award under this article, a school shall meet all of the following conditions:
  - (1) The school's aggregate score for pupil performance on the state Academic Performance Index established pursuant to Section 52052 was below the 50th percentile relative to other public schools in the state in the prior year.
  - (2) The school has met the criteria established by the board pursuant to subdivision (b) of Section 44650.
  - SEC. 3. Section 44652 of the Education Code is amended to read:
- 32 44652. The Superintendent of Public Instruction shall confer 33 awards to school districts and charter schools that have certified to 34 the superintendent that they satisfy the conditions of subdivision
- 35 (b) of Section 44651.

1

3

4

8

9

10

14 15

16

17

19 20

21

22

23

24

25

27

28 29

- 36 SEC. 4. Section 44653 of the Education Code is repealed.
- 37 SEC. 5. Section 44654 of the Education Code is repealed.

**AB 356 - 4** —

3

5

9

12 13

14

15 16

17

19

20

21

22

23 24

25 26

27

28

29

30

31

32 33

34

35

38

1 SEC. 6. Section 52055.655 of the Education Code is amended 2 to read:

- 52055.655. (a) Notwithstanding subdivision (c) of Section 52055.650, a school participating in the High Priority Schools Grant Program that meets or exceeds its API growth target shall continue to receive funding under this program in the amount specified in Sections 52054.5 and 52055.600 for one additional year of implementation.
- (b) From funds made available to the State Department of 10 Education pursuant to the act adding this section, the State Department of Education shall conduct a study on the issue of sustainability of funding for high-priority schools. The issues to be addressed in this study shall include, but are not limited to, the following:
  - (1) An objective rather than a comparative view of the necessity of sustaining supplemental funding over time to address the ongoing needs of high-priority pupils, and the impact of policies that only provide funding over a specified period of time.
  - (2) A description of the ongoing needs of high-priority schools, as identified in needs assessments submitted pursuant to paragraph (3) of subdivision (a) of 52055.620 and the sources of funding schools used to meet these needs.
  - (3) An analysis of the use of funds provided pursuant to this article and the effectiveness of that use in meeting the continued or changing needs of communities served by high-priority schools. This analysis shall include an evaluation of the growth in academic achievement realized by participating schools and the ability of those schools to sustain growth in academic achievement if funding is continued.
  - (4) An assessment of whether local, state, and federal resources are likely to be sufficient to sustain all or some of the academic improvements made in high-priority schools after this state subsidy expires, taking into account prospects for the subsequent pupil population's incidence of poverty and low socioeconomic status.
- SEC. 7. Section 52057 of the Education Code is amended to 36 37 read:
  - 52057. (a) The State Board of Education shall establish a Governor's Performance Award Program to provide nonmonetary awards to schools that meet or exceed API performance growth

\_5\_ AB 356

targets established pursuant to Section 52052, and demonstrate comparable improvement in academic achievement by all numerically significant ethnic and socioeconomically disadvantaged subgroups within schools. For purposes of this section, an ethnic or socioeconomically disadvantaged subgroup of at least 100 pupils constitutes a numerically significant subgroup, even if the subgroup does not constitute 15 percent of the total enrollment at a school.

- (b) All schools, including schools participating in the Immediate Intervention/Underperforming Schools Program are eligible to participate in the Governor's Performance Award Program. The manner and form in which the nonmonetary awards are given shall be established by the Superintendent of Public Instruction and approved by the State Board of Education.
- (c) The Superintendent of Public Instruction may establish, upon approval by the State Board of Education, nonmonetary awards that may include, but are not limited to, classification as a distinguished school, listing on a published public school honor roll, and public commendations by the Governor and the Legislature. In addition to any other criteria that are used to determine whether a school shall be classified as a distinguished school, the Superintendent of Public Instruction may consider the performance of a school on the physical performance tests administered pursuant to Section 60800.
- (d) A governing board of a school district or a county board of education with one or more schools under its jurisdiction that are eligible to receive an award from the Governor's Performance Award Program may request on behalf of those schools that the State Board of Education waive all or any part of any provision of this code, or any regulation adopted by the State Board of Education, controlling any of the programs listed in clause (i) of subparagraph (B) of paragraph (1) of subdivision (a) of Section 54761 and Section 64000. The board may grant the request if the waiver does not result in a decrease in the instructional time otherwise required by law or regulation or an increase in state costs and is determined to be consistent with subdivision (a) of Section 46300. The waiver shall be granted for no more than three consecutive fiscal years. A governing board of a school district or a county board of education may request a renewal for schools under their jurisdiction that still meet the eligibility criteria.

AB 356 — 6 —

(e) The waiver granted pursuant to subdivision (d) of Section 52057 may also provide the governing board of a school district or a county board of education with maximum flexibility, on the part of eligible schools within the districts, in the expenditure of any new or existing categorical funds not otherwise prohibited under state or federal law to enable the school to continue improvement in pupil performance.

SEC. 8. Section 60603 of the Education Code is amended to read:

60603. As used in this chapter:

- (a) "Achievement test" means any standardized test that measures the level of performance that a pupil has achieved in the core curriculum areas.
- (b) "Assessment of applied academic skills" means a form of assessment that requires pupils to demonstrate their knowledge of, and ability to apply, academic knowledge and skills in order to solve problems and communicate. It may include, but is not limited to, writing an essay response to a question, conducting an experiment, or constructing a diagram or model. An assessment of applied academic skills may not include assessments of personal behavioral standards or skills, including, but not limited to, honesty, sociability, ethics, or self-esteem.
- (c) "Basic academic skills" means those skills in the subject areas of reading, spelling, written expression, and mathematics that provide the necessary foundation for mastery of more complex intellectual abilities, including the synthesis and application of knowledge.
- (d) "Content standards" means the specific academic knowledge, skills, and abilities that all public schools in this state are expected to teach and all pupils expected to learn in each of the core curriculum areas, at each grade level tested.
- (e) "Core curriculum areas" means the areas of reading, writing, mathematics, history-social science, and science.
- (f) "Direct writing assessment" means an assessment of applied academic skills that requires pupils to use written expression to demonstrate writing skills, including writing mechanics, grammar, punctuation, and spelling.
- (g) "End of course exam" means a comprehensive and challenging assessment of pupil achievement in a particular subject area or discipline such as the Golden State Exams.

\_\_7\_\_ AB 356

(h) "Performance standards" are standards that define various levels of competence at each grade level in each of the curriculum areas for which content standards are established. Performance standards gauge the degree to which a pupil has met the content standards and the degree to which a school or school district has met the content standards.

- (i) "Publisher" means a commercial publisher or any other public or private entity, other than the State Department of Education, which is able to provide tests or test items that meet the requirements of this chapter.
- (j) "Statewide pupil assessment program" means the systematic achievement testing of pupils in grades 2 to 11, inclusive, pursuant to the Standardized Testing and Reporting Program under Article 4 (commencing with Section 60640) and the assessment of basic academic skills and applied academic skills, administered to pupils in grade levels specified in subdivision (c) of Section 60605, required by this chapter in all schools within each school district by means of tests designated by the State Board of Education.
- (k) This section shall become inoperative on July 1, 2005, and, as of January 1, 2006, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2006, deletes or extends the dates on which it becomes inoperative and is repealed.
- SEC. 9. Section 60603 is added to the Education Code, to read:

60603. As used in this chapter:

- (a) "Achievement test" means any standardized test that measures the level of performance that a pupil has achieved in the core curriculum areas.
- (b) "Assessment of applied academic skills" means a form of assessment that requires pupils to demonstrate their knowledge of, and ability to apply, academic knowledge and skills in order to solve problems and communicate. It may include, but is not limited to, writing an essay response to a question, conducting an experiment, or constructing a diagram or model. An assessment of applied academic skills may not include assessments of personal behavioral standards or skills, including, but not limited to, honesty, sociability, ethics, or self-esteem.
- (c) "Basic academic skills" means those skills in the subject areas of reading, spelling, written expression, and mathematics

**AB 356 —8** —

3

5

8 9

10 11

12 13

14

15

16

17

20

21

22

23 24

25 26

27 28

32

34

35

36 37

38

that provide the necessary foundation for mastery of more complex intellectual abilities, including the synthesis and application of knowledge.

- (d) "Content standards" means the specific academic knowledge, skills, and abilities that all public schools in this state are expected to teach and all pupils are expected to learn in each of the core curriculum areas, at each grade level tested.
- (e) "Core curriculum areas" means the areas of reading, writing, mathematics, history-social science, and science.
- (f) "Direct writing assessment" means an assessment of applied academic skills that requires pupils to use written expression to demonstrate writing skills, including writing mechanics, grammar, punctuation, and spelling.
- (g) "End of course exam" means a comprehensive and challenging assessment of pupil achievement in a particular subject area or discipline, such as the Golden State Exams.
- (h) "Performance standards" are standards that define various levels of competence at each grade level in each of the curriculum areas for which content standards are established. Performance standards gauge the degree to which a pupil has met the content standards and the degree to which a school or school district has met the content standards.
- (i) "Publisher" means a commercial publisher or any other public or private entity, other than the State Department of Education, which is able to provide tests or test items that meet the requirements of this chapter.
- (j) "Statewide pupil assessment program" means the systematic achievement testing of pupils in grades 3 to 11, inclusive, pursuant to the Standardized Testing and Reporting 30 Program under Article 4 (commencing with Section 60640) and the assessment of basic academic skills and applied academic skills, administered to pupils in grade levels specified in subdivision (c) of Section 60605, required by this chapter in all schools within each school district by means of tests designated by the State Board of Education.
  - (k) This section shall become operative on July 1, 2005.
  - SEC. 10. Section 60604 of the Education Code is amended to read:
- 60604. (a) The Superintendent of Public Instruction shall 39 design and implement, consistent with the timetable and plan

\_\_9\_\_ AB 356

required pursuant to subdivision (b), a statewide pupil assessment program consistent with the testing requirements of this article in accordance with the objectives set forth in Section 60602. That program shall include all of the following:

- (1) A plan for producing valid, reliable, and comparable individual pupil scores in grades 2 to 11, inclusive, and a comprehensive analysis of these scores based on the results of the achievement test designated by the State Board of Education that assesses a broad range of basic academic skills pursuant to the Standardized Testing and Reporting (STAR) Program established by Article 4 (commencing with Section 60640).
- (2) A method of working with publishers to ensure valid, reliable, and comparable individual, grade-level, school-level, district-level, county-level, and statewide scores in grades 3 and 8 that is based on the achievement test designated pursuant to subdivision (b) of Section 60605.
- (3) Statewide academically rigorous content and performance standards that reflect the knowledge and skills that pupils will need in order to succeed in the information-based, global economy of the 21st century. These skills shall not include personal behavioral standards or skills, including, but not limited to, honesty, sociability, ethics, or self-esteem.
- (4) A statewide system that provides the results of testing in a manner that reflects the degree to which pupils are achieving the academically rigorous content and performance standards adopted by the State Board of Education.
- (5) The alignment of assessment with the statewide academically rigorous content and performance standards adopted by the State Board of Education.
- (6) The active, ongoing involvement of parents, classroom teachers, administrators, other educators, governing board members of school districts, and the public in all phases of the design and implementation of the statewide pupil assessment program.
- (7) The development of a contract or contracts with a publisher or publishers, after the approval of statewide academically rigorous content standards by the State Board of Education, for the development of performance standards and assessments of applied academic skills designed to test pupils' knowledge of academic

AB 356 — 10 —

 skills and abilities to apply that knowledge and those skills in order to solve problems and communicate.

- (b) The superintendent shall develop and annually update for the Legislature a five-year cost projection, implementation plan, and timetable for implementing the program described in subdivision (a). The annual update shall be submitted on or before March 1 of each year to the chairperson of the fiscal subcommittee considering budget appropriations in each house. The update shall explain any significant variations from the five-year cost projection for the current year budget and the proposed budget.
- (c) The Superintendent of Public Instruction shall provide each school district with guidelines for professional development that are designed to assist classroom teachers to use the results of the assessments administered pursuant to this chapter to modify instruction for the purpose of improving pupil learning. These guidelines shall be developed in consultation with classroom teachers and approved by the State Board of Education before dissemination.
- (d) The Superintendent of Public Instruction and the State Board of Education shall consider comments and recommendations from school districts and the public in the development, adoption, and approval of assessment instruments.
- (e) The results of the achievement test administered pursuant to Article 4 (commencing with Section 60640) shall be returned to the school district within the period of time specified by the State Board of Education.
- (f) This section shall become inoperative on July 1, 2005, and, as of January 1, 2006, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2006, deletes or extends the dates on which it becomes inoperative and is repealed.
- SEC. 11. Section 60604 is added to the Education Code, to read:
- 60604. (a) The Superintendent of Public Instruction shall design and implement, consistent with the timetable and plan required pursuant to subdivision (b), a statewide pupil assessment program consistent with the testing requirements of this article in accordance with the objectives set forth in Section 60602. That program shall include all of the following:
- (1) A plan for producing valid, reliable, and comparable individual pupil scores in grades 3 to 11, inclusive, and a

— 11 — AB 356

comprehensive analysis of these scores based on the results of the achievement test designated by the State Board of Education that assesses a broad range of basic academic skills pursuant to the Standardized Testing and Reporting Program established by Article 4 (commencing with Section 60640).

- (2) A method of working with publishers to ensure valid, reliable, and comparable individual, grade-level, school-level, district-level, county-level, and statewide scores in grades 3 and 8, that is based on the achievement test designated pursuant to subdivision (b) of Section 60605.
- (3) Statewide academically rigorous content and performance standards that reflect the knowledge and skills that pupils will need in order to succeed in the information-based, global economy of the 21st century. These skills may not include personal behavioral standards or skills, including, but not limited to, honesty, sociability, ethics, or self-esteem.
- (4) A statewide system that provides the results of testing in a manner that reflects the degree to which pupils are achieving the academically rigorous content and performance standards adopted by the State Board of Education.
- (5) The alignment of assessment with the statewide academically rigorous content and performance standards adopted by the State Board of Education.
- (6) The active, ongoing involvement of parents, classroom teachers, administrators, other educators, members of the governing board of school districts, and the public in all phases of the design and implementation of the statewide pupil assessment program.
- (7) The development of a contract or contracts with a publisher or publishers, after the approval of statewide academically rigorous content standards by the State Board of Education, for the development of performance standards and assessments of applied academic skills designed to test pupils' knowledge of academic skills and abilities to apply that knowledge and those skills in order to solve problems and communicate.
- (b) The superintendent shall develop and annually update for the Legislature a five-year cost projection, implementation plan, and timetable for implementing the program described in subdivision (a). The annual update shall be submitted on or before March 1 of each year to the chairperson of the fiscal subcommittee

AB 356 — 12 —

considering budget appropriations in each house. The update shall explain any significant variations from the five-year cost projection for the current year budget and the proposed budget.

- (c) The Superintendent of Public Instruction shall provide each school district with guidelines for professional development that are designed to assist classroom teachers to use the results of the assessments administered pursuant to this chapter to modify instruction for the purpose of improving pupil learning. These guidelines shall be developed in consultation with classroom teachers and approved by the State Board of Education before dissemination.
- (d) The Superintendent of Public Instruction and the State Board of Education shall consider comments and recommendations from school districts and the public in the development, adoption, and approval of assessment instruments.
- (e) The results of the achievement test administered pursuant to Article 4 (commencing with Section 60640) shall be returned to the school district within the period of time specified by the State Board of Education.
  - (f) This section shall become operative on July 1, 2005.
- SEC. 12. Section 60605 of the Education Code is amended to read:
- 60605. (a) (1) (A) Not later than January 1, 1998, the State Board of Education shall adopt statewide academically rigorous content standards, pursuant to the recommendations of the Commission for the Establishment of Academic Content and Performance Standards, in the core curriculum areas of reading, writing, and mathematics to serve as the basis for assessing the academic achievement of individual pupils and of schools, school districts, and the California education system. Not later than November 1, 1998, the State Board of Education shall adopt these standards in the core curriculum areas of history/social science and science.
- (B) The State Board of Education shall adopt statewide performance standards in the core curriculum areas of reading, writing, mathematics, history/social science, and science based on the recommendations made by the Superintendent of Public Instruction and a contractor or contractors.
- 39 (C) The State Board of Education shall require the contractor 40 or contractors to submit performance standards to the

— 13 — AB 356

Superintendent of Public Instruction and the board not later than a specified date that allows sufficient opportunity for the Superintendent of Public Instruction to make a recommendation to the board and for the board to conduct regional hearings prior to the adoption of the performance standards.

2

3

5

6

9

10

11

12 13

14

15

16 17

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

- (2) (A) The State Board of Education may modify any proposed content standards or performance standards prior to adoption and may adopt content and performance standards in individual core curriculum areas as those standards are submitted to the board. The performance standards shall be established against specific grade level benchmarks of academic achievement for each subject area tested and shall be based on the knowledge and skills that pupils will need in order to succeed in the information-based, global economy of the 21st century. These skills shall not include personal behavioral standards or skills, including, but not limited to, honesty, sociability, ethics, or self-esteem. The standards adopted pursuant to this section shall be for the purpose of guiding state decisions regarding the development, adoption, and approval of assessment instruments pursuant to this chapter and shall not be construed to mandate any actions or activities by school districts.
- (B) Because these standards are models, the adoption of these standards is not subject to the Administrative Procedure Act. This subparagraph is declaratory of existing law.
- (3) Before adopting academic content and performance standards, the board shall hold regional hearings for the purpose of giving parents and other members of the public the opportunity to comment on the proposed standards.
- (b) (1) The State Board of Education shall require the State Department of Education to notify publishers of the opportunity to submit, for consideration by the State Board of Education pursuant to Section 60642, tests of achievement that include all of the basic academic skills identified in subdivision (c) of Section 60603 in grades 3 and 8.
- (2) The Superintendent of Public Instruction shall recommend to the State Board of Education which achievement test to adopt pursuant to subdivision (b) of Section 60642.
- (c) (1) The State Board of Education shall ensure that the statewide assessment system adopted pursuant to this chapter yields valid, reliable individual pupil scores and, where

AB 356 — 14 —

applicable, aggregate school scores, school district scores, and statewide scores of pupils and assesses basic academic skills and content standards, including the use of a direct writing assessment or other applied academic skills if deemed valid and reliable and if resources are made available for their use.

- (2) This subdivision does not prevent the State Board of Education from developing or adopting an assessment instrument that also contains assessments of basic academic skills.
- (d) To the extent feasible and as otherwise required, the State Board of Education shall ensure that assessments developed, or contracted for pursuant to Section 60642.5, by the state are aligned with the statewide content and performance standards adopted pursuant to subdivision (a). The State Department of Education, with the approval of the State Board of Education, shall periodically contract for a review of the achievement test for conformance with these standards.
- (e) After adopting statewide content and performance standards, the State Board of Education shall review the existing curriculum frameworks for conformity with the new statewide standards and shall modify the curriculum frameworks where appropriate to bring them into alignment with the standards.
- (f) The State Board of Education shall adopt regulations for the conduct and administration of the testing and assessment program.
- (g) The State Board of Education shall adopt a regulation for minimum security procedures that test and assessment publishers and school districts must follow to ensure the security and integrity of test and assessment questions and materials.
- (h) This section shall become inoperative on July 1, 2005, and, as of January 1, 2006, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2006, deletes or extends the dates on which it becomes inoperative and is repealed. SEC. 13. Section 60605 is added to the Education Code, to
- read:
  60605. (a) (1) (A) Not later than January 1, 1998, the State Board of Education shall adopt statewide academically rigorous
- 36 content standards, pursuant to the recommendations of the 37 Commission for the Establishment of Academic Content and
- 38 Performance Standards, in the core curriculum areas of reading,
- 39 writing, and mathematics to serve as the basis for assessing the
- 40 academic achievement of individual pupils and of schools, school

— 15 — AB 356

districts, and the California education system. Not later than November 1, 1998, the State Board of Education shall adopt these standards in the core curriculum areas of history/social science and science.

4

5

6

9

10

11

12 13

14

15

16 17

19

20

21

22

24

25

26

27

28

30

31

32

33

34

35

36

37

- (B) The State Board of Education shall adopt statewide performance standards in the core curriculum areas of reading, writing, mathematics, history/social science, and science based on the recommendations made by the Superintendent of Public Instruction and a contractor or contractors.
- (C) The State Board of Education shall require the contractor or contractors to submit performance standards to the Superintendent of Public Instruction and the board not later than a specified date that allows sufficient opportunity for the Superintendent of Public Instruction to make a recommendation to the board and for the board to conduct regional hearings prior to the adoption of the performance standards.
- (2) (A) The State Board of Education may modify any proposed content standards or performance standards prior to adoption and may adopt content and performance standards in individual core curriculum areas as those standards are submitted to the board. The performance standards shall be established against specific grade level benchmarks of academic achievement for each subject area tested and shall be based on the knowledge and skills that pupils will need in order to succeed in the information-based, global economy of the 21st century. These skills shall not include personal behavioral standards or skills, including, but not limited to, honesty, sociability, ethics, or self-esteem. The standards adopted pursuant to this section shall be for the purpose of guiding state decisions regarding the development, adoption, and approval of assessment instruments pursuant to this chapter and shall not be construed to mandate any actions or activities by school districts.
- (B) Because these standards are models, the adoption of these standards is not subject to the Administrative Procedure Act. This subparagraph is declaratory of existing law.
- (3) Before adopting academic content and performance standards, the board shall hold regional hearings for the purpose of giving parents and other members of the public the opportunity to comment on the proposed standards.

AB 356 — 16 —

 (b) (1) The State Board of Education shall require the department to notify publishers of the opportunity to submit, for consideration by the State Board of Education pursuant to Section 60642, tests of achievement that include all of the basic academic skills identified in subdivision (c) of Section 60603 in grades 3 and 8

- (2) The Superintendent of Public Instruction shall recommend to the State Board of Education which achievement test to adopt pursuant to subdivision (b) of Section 60642.
- (c) (1) The State Board of Education shall ensure that the statewide assessment system adopted pursuant to this chapter yields valid, reliable individual pupil scores and, where applicable, aggregate school scores, school district scores, and statewide scores of pupils and assesses basic academic skills and content standards, including the use of a direct writing assessment or other applied academic skills if deemed valid and reliable and if resources are made available for their use.
- (2) This subdivision does not prevent the State Board of Education from developing or adopting an assessment instrument that also contains assessments of basic academic skills.
- (d) To the extent feasible and as otherwise required, the State Board of Education shall ensure that assessments developed, or contracted for pursuant to Section 60642.5, by the state are aligned with the statewide content and performance standards adopted pursuant to subdivision (a). The State Department of Education, with the approval of the State Board of Education, shall periodically contract for a review of the achievement test for conformance with these standards.
- (e) After adopting statewide content and performance standards, the State Board of Education shall review the existing curriculum frameworks for conformity with the new statewide standards and shall modify the curriculum frameworks where appropriate to bring them into alignment with the standards.
- (f) The State Board of Education shall adopt regulations for the conduct and administration of the testing and assessment program.
- (g) The State Board of Education shall adopt a regulation for minimum security procedures that test and assessment publishers and school districts must follow to ensure the security and integrity of test and assessment questions and materials.
  - (h) This section shall become operative on July 1, 2005.

— 17 — AB 356

1 SEC. 14. Section 60605.6 of the Education Code is amended 2 to read:

- 60605.6. (a) Subject to the availability of funds in the annual Budget Act for this purpose, the Superintendent of Public Instruction, upon approval of the State Board of Education, shall contract for the development and distribution of workbooks, as follows:
- (1) One workbook to be distributed to all pupils in the 10th grade. This workbook shall contain information on the proficiency levels that must be demonstrated by pupils on the high school exit examination described in Chapter 9 (commencing with Section 60850). The workbook also shall contain sample questions, with explanations describing how these sample questions test pupil knowledge of the language arts and mathematics content standards adopted by the State Board of Education pursuant to Section 60605.
- (2) Separate workbooks for each of grades 2 to 11, inclusive. Each pupil in grades 2 to 11, inclusive, who is required to take the achievement tests described in Section 60642 or Section 60642.5 shall receive a copy of the workbook designed for the same grade level in which the pupil is enrolled. These workbooks shall contain material to assist pupils and their parents with standards-based learning, including the grade appropriate academic content standards adopted by the State Board of Education pursuant to Section 60605 and sample questions that require knowledge of these standards to answer. The workbooks also shall describe how the sample questions test knowledge of the State Board of Education adopted academic content standards.
- (b) This section shall become inoperative on July 1, 2005, and, as of January 1, 2006, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2006, deletes or extends the dates on which it becomes inoperative and is repealed.
- 33 SEC. 15. Section 60605.6 is added to the Education Code, to read:
- 35 60605.6. (a) Subject to the availability of funds in the annual
- 36 Budget Act for this purpose, the Superintendent of Public
- Instruction, upon approval of the State Board of Education, shall contract for the development and distribution of workbooks, as
- 39 follows:

AB 356 — 18 —

- (1) One workbook to be distributed to all pupils in the 10th grade. This workbook shall contain information on the proficiency levels that must be demonstrated by pupils on the high school exit examination described in Chapter 9 (commencing with Section 60850). The workbook also shall contain sample questions, with explanations describing how these sample questions test pupil knowledge of the language arts and mathematics content standards adopted by the State Board of Education pursuant to Section 60605.
- (2) Separate workbooks for each of grades 3 to 11, inclusive. Each pupil in grades 3 to 11, inclusive, who is required to take the achievement tests described in Section 60642 or Section 60642.5 shall receive a copy of the workbook designed for the same grade level in which the pupil is enrolled. These workbooks shall contain material to assist pupils and their parents with standards-based learning, including the grade appropriate academic content standards adopted by the State Board of Education pursuant to Section 60605 and sample questions that require knowledge of these standards to answer. The workbooks also shall describe how the sample questions test knowledge of the State Board of Education adopted academic content standards.
  - (b) This section shall become operative on July 1, 2005.
- SEC. 16. Section 60606 of the Education Code is amended to read:
- 60606. (a) After designating a test of academic achievement for use in grades 3 and 8 pursuant to Section 60642, or adopting an assessment of applied academic skills for use in grades 4, 5, 8, and 10 pursuant to Section 60605, the State Board of Education shall submit each of those two instruments when designated or adopted to the Statewide Pupil Assessment Review Panel, which is hereby established, for review by the panel.
- (b) The panel shall consist of six members. Three members shall be appointed by the Governor, one member shall be appointed by the Senate Committee on Rules, one member shall be appointed by the Speaker of the Assembly, and one member shall be appointed by the Superintendent of Public Instruction. A majority of the panel shall consist of parents whose children attend public schools in the state in kindergarten and grades 1 to 12, inclusive.

— 19 — AB 356

(c) Panel members shall serve two-year terms, without compensation. No panel member shall serve more than two consecutive terms.

- (d) The panel shall review the two instruments specified in subdivision (a) in order to ensure that the content of the instruments complies with the requirements of Section 60614. Notwithstanding any other provision of law, the panel may meet in closed session with a publisher for the purpose of addressing questions and clarifying issues that relate to ensuring that the content of the publisher's test or assessment, as the case may be, complies with the requirements of Section 60614.
- (e) The panel shall report its findings and recommendations to the State Board of Education within 10 days of its receipt of each instrument. If the panel fails to report within the required 10 days, the test or assessment shall be deemed acceptable to the panel.
- (f) This section shall become inoperative on July 1, 2005, and, as of January 1, 2006, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2006, deletes or extends the dates on which it becomes inoperative and is repealed. SEC. 17. Section 60606 is added to the Education Code, to read:
- 60606. (a) After designating a test of academic achievement for use in grades 3 to and 8 pursuant to Section 60642, or adopting an assessment of applied academic skills for use in grades 4, 5, 8, and 10 pursuant to Section 60605, the State Board of Education shall submit each of those two instruments when designated or adopted to the Statewide Pupil Assessment Review Panel, which is hereby established, for review by the panel.
- (b) The panel shall consist of six members. Three members shall be appointed by the Governor, one member shall be appointed by the Senate Committee on Rules, one member shall be appointed by the Speaker of the Assembly, and one member shall be appointed by the Superintendent of Public Instruction. A majority of the panel shall consist of parents whose children attend public schools in the state in kindergarten and grades 1 to 12, inclusive.
- (c) Panel members shall serve two-year terms, without compensation. No panel member shall serve more than two consecutive terms.

**AB 356 — 20 —** 

1

5

6

9

12 13

14

15 16

17

18

19

20

21

22

24

25 26

27

28

29

30

31

32

33 34

35

36 37

38

39 40

(d) The panel shall review the two instruments specified in subdivision (a) in order to ensure that the content of the instruments complies with the requirements of Section 60614. Notwithstanding any other provision of law, the panel may meet in closed session with a publisher for the purpose of addressing questions and clarifying issues that relate to ensuring that the content of the publisher's test or assessment, as the case may be, complies with the requirements of Section 60614.

- (e) The panel shall report its findings and recommendations to 10 the State Board of Education within 10 days of its receipt of each instrument. If the panel fails to report within the required 10 days, the test or assessment shall be deemed acceptable to the panel.
  - (f) This section shall become operative on July 1, 2005.
  - SEC. 18. Section 60640 of the Education Code, as added by Section 5 of Chapter 773 of the Statutes of 2003, is amended to read:
  - 60640. (a) There is hereby established the Standardized Testing and Reporting Program, to be known as the STAR Program.
  - (b) Commencing in the 2004–05 fiscal year and each fiscal year thereafter, and from the funds available for that purpose, each school district, charter school, and county office of education shall administer to each of its pupils in grades 3 and 8 the achievement test designated by the State Board of Education pursuant to Section 60642 and shall administer to each of its pupils in grades 2 to 11, inclusive, the standards-based achievement test provided for in Section 60642.5. The State Board of Education shall establish a testing period to provide that all schools administer these tests to pupils at approximately the same time during the instructional year, except as necessary to ensure test security and to meet the final filing date.
  - (c) The publisher and the school district shall provide two makeup days for the testing of previously absent pupils within the testing period established by the State Board of Education in subdivision (b).
  - (d) The governing board of the school district may administer achievement tests in grades other than those required by subdivision (b) as it deems appropriate.
  - (e) Pursuant to paragraph (17) of subsection (a) of Section 1412 of Title 20 of the United States Code, individuals with exceptional

— 21 — AB 356

needs, as defined in Section 56026, shall be included in the testing requirement of subdivision (b) with appropriate accommodations in administration, where necessary, and those individuals with exceptional needs who are unable to participate in the testing, even with accommodations, shall be given an alternate assessment.

- (f) At the option of the school district, a pupil with limited English proficiency who are enrolled in any of grades 2 to 11, inclusive, may take a second achievement test in their primary language. Primary language tests administered pursuant to this subdivision and subdivision (g) shall be subject to the requirements of subdivision (a) of Section 60641. These primary language tests shall produce individual pupil scores that are valid and reliable. Notwithstanding any other law, the State Board of Education shall designate for use, as part of this program, a single primary language test in each language for which a test is available for grades 2 to 11, inclusive, pursuant to the process used for designation of the assessment chosen in the 1997–98 fiscal year, as specified in Sections 60642 and 60643, as applicable.
- (g) A pupil of limited English proficiency who is enrolled in any of grades 2 to 11, inclusive, shall be required to take a test in their primary language if a test is available, if fewer than 12 months have elapsed after their initial enrollment in any public school in the state.
- (h) (1) The Superintendent of Public Instruction shall apportion funds to school districts to enable school districts to meet the requirements of subdivisions (b), (f), and (g).
- (2) The State Board of Education shall annually establish the amount of funding to be apportioned to school districts for each test administered and shall annually establish the amount that each publisher shall be paid for each test administered under the agreements required pursuant to Section 60643. The amounts to be paid to the publishers shall be determined by considering the cost estimates submitted by each publisher each September and the amount included in the annual Budget Act, and by making allowance for the estimated costs to school districts for compliance with the requirements of subdivisions (b), (f), and (g).
- (3) An adjustment to the amount of funding to be apportioned per test may not be valid without the approval of the Director of Finance. A request for approval of an adjustment to the amount of funding to be apportioned per test shall be submitted in writing to

AB 356 — 22 —

the Director of Finance and the chairpersons of the fiscal committees of both houses of the Legislature with accompanying material justifying the proposed adjustment. The Director of Finance is authorized to approve only those adjustments related to activities required by statute. The Director of Finance shall approve or disapprove the amount within 30 days of receipt of the request and shall notify the chairpersons of the fiscal committees of both houses of the Legislature of the decision.

- (i) For the purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation for the appropriationments made pursuant to paragraph (1) of subdivision (h), and the payments made to the publishers under the contracts required pursuant to Section 60643 or subparagraph (C) of paragraph (1) of subdivision (a) of Section 60605 between the department and the contractor, are "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202, for the applicable fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202, for that fiscal year.
- (j) As a condition to receiving an apportionment pursuant to subdivision (h), a school district shall report to the superintendent all of the following:
- (1) The number of pupils enrolled in the school district in grades 2 to 11, inclusive.
- (2) The number of pupils to whom an achievement test was administered in grades 2 to 11, inclusive, in the school district.
- (3) The number of pupils in paragraph (1) who were exempted from the test at the request of their parents or guardians.
- (k) This section shall become inoperative on June 30, 2005, and, as of January 1, 2006, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2006, deletes or extends the dates on which it becomes inoperative and is repealed.
- 36 SEC. 19. Section 60640 is added to the Education Code, to read:
- 38 60640. (a) There is hereby established the Standardized 39 Testing and Reporting Program, to be known as the STAR 40 Program.

— 23 — AB 356

(b) Commencing in the 2005–06 fiscal year and each fiscal year thereafter, and from the funds available for that purpose, each school district, charter school, and county office of education shall administer to each of its pupils in grades 3 and 8 the achievement test designated by the State Board of Education pursuant to Section 60642 and shall administer to each of its pupils in grades 3 to 11, inclusive, the standards-based achievement test provided for in Section 60642.5. The State Board of Education shall establish a testing period to provide that all schools administer these tests to pupils at approximately the same time during the instructional year, except as necessary to ensure test security and to meet the final filing date.

- (c) The publisher and the school district shall provide two makeup days for the testing of previously absent pupils within the testing period established by the State Board of Education in subdivision (b).
- (d) The governing board of the school district may administer achievement tests in grades other than those required by subdivision (b) as it deems appropriate.
- (e) Pursuant to paragraph (17) of subsection (a) of Section 1412 of Title 20 of the United States Code, individuals with exceptional needs, as defined in Section 56026, shall be included in the testing requirement of subdivision (b) with appropriate accommodations in administration, where necessary, and those individuals with exceptional needs who are unable to participate in the testing, even with accommodations, shall be given an alternate assessment.
- (f) At the option of the school district, a pupil with limited English proficiency who are enrolled in any of grades 3 to 11, inclusive, may take a second achievement test in their primary language. Primary language tests administered pursuant to this subdivision and subdivision (g) shall be subject to the requirements of subdivision (a) of Section 60641. These primary language tests shall produce individual pupil scores that are valid and reliable. Notwithstanding any other law, the State Board of Education shall designate for use, as part of this program, a single primary language test in each language for which a test is available for grades 3 to 11, inclusive, pursuant to the process used for designation of the assessment chosen in the 1997–98 fiscal year, as specified in Sections 60642 and 60643, as applicable.

AB 356 — 24 —

 (g) A pupil of limited English proficiency who is enrolled in any of grades 3 to 11, inclusive, shall be required to take a test in their primary language if a test is available, if fewer than 12 months have elapsed after their initial enrollment in any public school in the state.

- (h) (1) The Superintendent of Public Instruction shall apportion funds to school districts to enable school districts to meet the requirements of subdivisions (b), (f), and (g).
- (2) The State Board of Education shall annually establish the amount of funding to be apportioned to school districts for each test administered and shall annually establish the amount that each publisher shall be paid for each test administered under the agreements required pursuant to Section 60643. The amounts to be paid to the publishers shall be determined by considering the cost estimates submitted by each publisher each September and the amount included in the annual Budget Act, and by making allowance for the estimated costs to school districts for compliance with the requirements of subdivisions (b), (f), and (g).
- (3) An adjustment to the amount of funding to be apportioned per test may not be valid without the approval of the Director of Finance. A request for approval of an adjustment to the amount of funding to be apportioned per test shall be submitted in writing to the Director of Finance and the chairpersons of the fiscal committees of both houses of the Legislature with accompanying material justifying the proposed adjustment. The Director of Finance is authorized to approve only those adjustments related to activities required by statute. The Director of Finance shall approve or disapprove the amount within 30 days of receipt of the request and shall notify the chairpersons of the fiscal committees of both houses of the Legislature of the decision.
- (i) For the purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation for the appropriationments made pursuant to paragraph (1) of subdivision (h), and the payments made to the publishers under the contracts required pursuant to Section 60643 or subparagraph (C) of paragraph (1) of subdivision (a) of Section 60605 between the department and the contractor, are 'General Fund revenues appropriated for school districts,' as defined in subdivision (c) of Section 41202, for the applicable fiscal year, and included within the 'total allocations to school districts and

\_\_ 25 \_\_ AB 356

community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B, 'as defined in subdivision (e) of Section 41202, for that fiscal year.

2

3

4

5

6

7

9

10 11

12

13

14

15

16 17

19

20

21

22

23

24

25 26

27

30

31

32

33

34

35

36

37

38

- (j) As a condition to receiving an apportionment pursuant to subdivision (h), a school district shall report to the superintendent all of the following:
- (1) The number of pupils enrolled in the school district in grades 3 to 11, inclusive.
- (2) The number of pupils to whom an achievement test was administered in grades 3 to 11, inclusive, in the school district.
- (3) The number of pupils in paragraph (1) who were exempted from the test at the request of their parents or guardians.
  - (k) This section shall become operative July 1, 2005.
- SEC. 20. Section 60642.5 of the Education Code is amended to read:
- 60642.5. (a) The Superintendent of Public Instruction, with approval of the State Board of Education, shall provide for the development of an assessment instrument, to be called the California Standards Tests, that measures the degree to which pupils are achieving the academically rigorous content standards and performance standards, to the extent standards have been adopted by the State Board of Education. This standards-based achievement test shall contain the subject areas specified in subdivision (c) of Section 60603 for grades 2 to 8, inclusive, and shall include an assessment in history/social science in at least one elementary or middle school grade level selected by the State Board of Education and science in at least one elementary or middle school grade level selected by the State Board of Education, and the core curriculum areas specified in subdivision (e) of Section 60603 for grades 9 to 11, inclusive, except that history-social science shall not be included in the grade 9 assessment unless the State Board of Education adopts academic content standards for a grade 9 history-social science course, and shall include, at a minimum, a direct writing assessment once in elementary school and once in middle or junior high school and other items of applied academic skill if deemed valid and reliable and if resources are made available for their use.
- (b) In approving a contract for the development or administration of the California Standards Tests, the State Board of Education shall consider each of the following criteria:

AB 356 — 26 —

(1) The ability of the contractor to produce valid, reliable individual pupil scores.

- (2) The ability of the contractor to report results pursuant to subdivision (a) of Section 60643 by August 8.
- (3) The ability of the contractor to ensure alignment between the standards-based achievement test and the academically rigorous content and performance standards as those standards are adopted by the State Board of Education. This criterion shall include the ability of the contractor to implement a process to establish and maintain alignment between the test items and the standards.
- (4) The per pupil cost estimates of developing, and, if appropriate, administering the proposed assessment with a system to facilitate the determination of future per pupil cost determinations.
- (5) The contractor's procedures to ensuring the security and integrity of test questions and materials.
- (6) The contractor's experience in successfully conducting testing programs adopted and administered by other states. For experience to be considered, the number of grades and pupils tested shall be provided.
- (c) The standards-based achievement tests may use items from other tests including items from the achievement test designated pursuant to Section 60642.
- (d) This section shall become inoperative on July 1, 2005, and, as of January 1, 2006, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2006, deletes or extends the dates on which it becomes inoperative and is repealed.
- SEC. 21. Section 60642.5 is added to the Education Code, to read:
- 60642.5. (a) The Superintendent of Public Instruction, with approval of the State Board of Education, shall provide for the development of an assessment instrument, to be called the California Standards Tests, that measures the degree to which pupils are achieving the academically rigorous content standards and performance standards, to the extent standards have been adopted by the State Board of Education. This standards-based achievement test shall contain the subject areas specified in subdivision (c) of Section 60603 for grades 3 to 8, inclusive, and shall include an assessment in history/social science in at least one

\_\_ 27 \_\_ AB 356

2 Board of Education and science in at least one elementary or 3 middle school grade level selected by the State Board of 4 Education, and the core curriculum areas specified in subdivision 5 (e) of Section 60603 for grades 9 to 11, inclusive, except that 6 history/social science shall not be included in the grade 9

elementary or middle school grade level selected by the State

assessment unless the State Board of Education adopts academic content standards for a grade 9 history/social science course, and shall include, at a minimum, a direct writing assessment once in elementary school and once in middle or junior high school and other items of applied academic skill if deemed valid and reliable and if resources are made available for their use.

9

10 11

12

13

14

15

16 17

18

19

20

21

22

24

25

26

27

28

30

31

32

33

34

35

36

37

38

39

- (b) In approving a contract for the development or administration of the California Standards Tests, the State Board of Education shall consider each of the following criteria:
- (1) The ability of the contractor to produce valid, reliable individual pupil scores.
- (2) The ability of the contractor to report results pursuant to subdivision (a) of Section 60643 by August 8.
- (3) The ability of the contractor to ensure alignment between the standards-based achievement test and the academically rigorous content and performance standards as those standards are adopted by the State Board of Education. This criterion shall include the ability of the contractor to implement a process to establish and maintain alignment between the test items and the standards.
- (4) The per pupil cost estimates of developing, and, if appropriate, administering the proposed assessment with a system to facilitate the determination of future per pupil cost determinations.
- (5) The contractor's procedures to ensuring the security and integrity of test questions and materials.
- (6) The contractor's experience in successfully conducting testing programs adopted and administered by other states. For experience to be considered, the number of grades and pupils tested shall be provided.
- (c) The standards-based achievement tests may use items from other tests including items from the achievement test designated pursuant to Section 60642.
  - (d) This section shall become operative on July 1, 2005.

AB 356 — 28 —

3

5

6

7

9

10

12

13 14

15

16

17

19 20

21

22

27

28

30 31

32

33

34

35

36 37

38

SEC. 22. Section 60643 of the Education Code is amended to read:

- 60643. (a) To be eligible for consideration under Section 60642 or 60642.5 by the State Board of Education, test publishers shall agree in writing each year to meet the following requirements, as applicable, if selected:
- (1) Enter into an agreement, pursuant to subdivision (e) or (f), with the State Department of Education by October 15.
- (2) With respect to selection under Section 60642.5, align the standards-based achievement test provided for in Section 60642.5 to the academically rigorous content and performance standards adopted by the State Board of Education.
  - (3) Comply with subdivisions (c) and (d) of Section 60645.
- (4) Provide valid and reliable individual pupil scores only in the content areas specified in subdivision (c) of Section 60642 to parents or guardians, teachers, and school administrators.
- (5) Provide valid and reliable aggregate scores only in the content areas specified in subdivision (c) of Section 60642 to school districts and county offices of education in all of the following forms and formats:
- (A) Grade level.
  - (B) School level.
- 23 (C) District level.
- 24 (D) Countywide.
- 25 (E) Statewide.
- 26 (F) Comparison of statewide scores relative to other states.
  - (6) Provide disaggregated based scores, on limited-English-proficient status nonlimited-English-proficient status. For purposes of this section, pupils with "nonlimited-English-proficient status" shall include the total of those pupils who are English-only pupils, fluent-English-proficient pupils. and redesignated fluent-English-proficient pupils. These scores shall be provided to school districts and county offices of education in the same forms and formats listed in paragraph (5).
  - (7) Provide disaggregated scores by pupil gender and provide disaggregated scores based on whether pupils are economically disadvantaged or not. These disaggregated scores shall be in the same forms and formats as listed in paragraph (5). In any one year,

— 29 — AB 356

the disaggregation shall entail information already being collected by school districts, county offices of education, or charter schools.

- (8) Provide disaggregated scores for pupils who have individualized education programs and have enrolled in special education, to the extent required by federal law. These scores shall be provided in the same forms and formats listed in paragraph (5). This section may not be construed to exclude the scores of special education pupils from any state or federal accountability system.
- (9) Provide information listed in paragraphs (5), (6), (7), and (8) to the State Board of Education and the State Department of Education in the medium requested by each entity, respectively.
- (b) It is the intent of the Legislature that the publisher work with the Superintendent of Public Instruction and the State Board of Education in developing a methodology to disaggregate statewide scores as required in paragraphs (6) and (7) of subdivision (a), and in determining which variable indicated on the STAR testing document shall serve as a proxy for "economically disadvantaged" status pursuant to paragraph (7).
- (c) Access to any information about individual pupils or their families shall be granted to the publisher only for purposes of correctly associating test results with the pupils who produced those results or for reporting and disaggregating test results as required by this section. School districts are prohibited from excluding a pupil from the test if a parent or parents decline to disclose income. This chapter does not abridge or deny rights to confidentiality contained in the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Sec. 1232g) or other applicable provisions of state and federal law that protect the confidentiality of information collected by educational institutions.
- (d) Notwithstanding any other provision of law, the publisher of the achievement test designated pursuant to Section 60642, the publisher of the standards-based achievement test provided for in Section 60642.5, or any contractor under subdivision (f) shall comply with all of the conditions and requirements enumerated in subdivision (a), as applicable, to the satisfaction of the State Board of Education.
- (e) (1) A publisher may not provide a test described in Section 60642, 60642.5, or 60650 or in subdivision (f) of Section 60640 for use in California public schools unless the publisher enters into

AB 356 — 30 —

a written contract with the State Department of Education as set forth in this subdivision.

- (2) The State Department of Education shall develop, and the State Board of Education shall approve, a contract to be entered into with any publisher pursuant to paragraph (1). The department may develop the contract through negotiations with the publisher.
- (3) For purposes of the contracts authorized pursuant to this subdivision, the State Department of Education is exempt from the requirements of Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and from the requirements of Article 6 (commencing with Section 999) of Chapter 6 of Division 4 of the Military and Veterans Code.
- (4) The contracts shall include provisions for progress payments to the publisher for work performed or costs incurred in the performance of the contract. Not less than 10 percent of the amount budgeted for each separate and distinct component task provided for in each contract shall be withheld pending final completion of all component tasks by that publisher. The total amount withheld pending final completion shall not exceed 10 percent of the total contract price.
- (5) The contracts shall require liquidated damages to be paid by the publisher in the amount of up to 10 percent of the total cost of the contract for any component task that the publisher through its own fault or that of its subcontractors fails to substantially perform by the date specified in the agreement.
- (6) The contracts shall establish the process and criteria by which the successful completion of each component task shall be recommended by the State Department of Education and approved by the State Board of Education.
- (7) The publishers shall submit, as part of the contract negotiation process, a proposed budget and invoice schedule, that includes a detailed listing of the costs for each component task and the expected date of the invoice for each completed component task.
- (8) The contracts shall specify the following component tasks, as applicable, that are separate and distinct:
- (A) Development of new tests or test items as required by paragraph (2) of subdivision (a).
  - (B) Test materials production or publication.
  - (C) Delivery of test materials to school districts.

— 31 — AB 356

(D) Test processing, scoring, and analyses.

- (E) Reporting of test results to the school districts, including, but not limited to, all reports specified in this section.
- (F) Reporting of test results to the State Department of Education, including, but not limited to, the electronic files required pursuant to this section.
- (G) All other analyses or reports required by the Superintendent of Public Instruction to meet the requirements of state and federal law and set forth in the agreement.
- (9) The contracts shall specify the specific reports and data files, if any, that are to be provided to school districts by the publisher and the number of copies of each report or file to be provided.
- (10) The contracts shall specify the means by which any delivery date for materials to each school district shall be verified by the publisher and the school district.
- (11) School districts may negotiate a separate agreement with the publisher for any additional materials or services not within the contracts specified in this subdivision, including, but not limited to, the administration of the tests to pupils in grade levels other than grades 2 to 11, inclusive. Any separate agreement is not within the scope of the contract specified in this subdivision.
- (f) The State Department of Education, with approval of the State Board of Education, may enter into a separate contract for the development or administration of any test authorized pursuant to this part, including, but not limited to, item development, coordination of tests, assemblage of tests or test items, scoring, or reporting. The liquidated damages provision set forth in paragraph (5) of subdivision (e) shall apply to any contract entered into pursuant to this subdivision.
- (g) This section shall become inoperative on July 1, 2005, and, as of January 1, 2006, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2006, deletes or extends the dates on which it becomes inoperative and is repealed.
- SEC. 23. Section 60643 is added to the Education Code, to read:
- 60643. (a) To be eligible for consideration under Section 60642 or 60642.5 by the State Board of Education, test publishers shall agree in writing each year to meet the following requirements, as applicable, if selected:

AB 356 — 32 —

1

2

3

4

5

6

7

8 9

10 11

12

13

14

15

19

21

22

23

24

2526

2728

29

30

31

32 33

34

35

36 37

- (1) Enter into an agreement, pursuant to subdivision (e) or (f), with the department by October 15.
- (2) With respect to selection under Section 60642.5, align the standards-based achievement test provided for in Section 60642.5 to the academically rigorous content and performance standards adopted by the State Board of Education.
  - (3) Comply with subdivisions (c) and (d) of Section 60645.
- (4) Provide valid and reliable individual pupil scores only in the content areas specified in subdivision (c) of Section 60642 to parents or guardians, teachers, and school administrators.
- (5) Provide valid and reliable aggregate scores only in the content areas specified in subdivision (c) of Section 60642 to school districts and county offices of education in all of the following forms and formats:
- (A) Grade level.
- 16 (B) School level.
- 17 (C) District level.
- 18 (D) Countywide.
  - (E) Statewide.
- 20 (F) Comparison of statewide scores relative to other states.
  - (6) Provide disaggregated based scores, on limited-English-proficient status and nonlimited-English-proficient status. For purposes of this section, pupils with "nonlimited-English-proficient status" shall include the total of those pupils who are English-only pupils, fluent-English-proficient pupils, and redesignated fluent-English-proficient pupils. These scores shall be provided to school districts and county offices of education in the same forms and formats listed in paragraph (5).
  - (7) Provide disaggregated scores by pupil gender and provide disaggregated scores based on whether pupils are economically disadvantaged or not. These disaggregated scores shall be in the same forms and formats as listed in paragraph (5). In any one year, the disaggregation shall entail information already being collected by school districts, county offices of education, or charter schools.
  - (8) Provide disaggregated scores for pupils who have individualized education programs and have enrolled in special education, to the extent required by federal law. These scores shall be provided in the same forms and formats listed in paragraph (5).

— 33 — AB 356

This section may not be construed to exclude the scores of special education pupils from any state or federal accountability system.

- (9) Provide information listed in paragraphs (5), (6), (7), and (8) to the State Board of Education and the department in the medium requested by each entity, respectively.
- (b) It is the intent of the Legislature that the publisher work with the Superintendent of Public Instruction and the State Board of Education in developing a methodology to disaggregate statewide scores as required in paragraphs (6) and (7) of subdivision (a), and in determining which variable indicated on the STAR testing document shall serve as a proxy for "economically disadvantaged" status pursuant to paragraph (7).
- (c) Access to any information about individual pupils or their families shall be granted to the publisher only for purposes of correctly associating test results with the pupils who produced those results or for reporting and disaggregating test results as required by this section. School districts are prohibited from excluding a pupil from the test if a parent or parents decline to disclose income. This chapter does not abridge or deny rights to confidentiality contained in the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Sec. 1232g) or other applicable provisions of state and federal law that protect the confidentiality of information collected by educational institutions.
- (d) Notwithstanding any other provision of law, the publisher of the achievement test designated pursuant to Section 60642, the publisher of the standards-based achievement test provided for in Section 60642.5, or any contractor under subdivision (f) shall comply with all of the conditions and requirements enumerated in subdivision (a), as applicable, to the satisfaction of the State Board of Education.
- (e) (1) A publisher may not provide a test described in Section 60642, 60642.5, or 60650 or in subdivision (f) of Section 60640 for use in California public schools unless the publisher enters into a written contract with the department as set forth in this subdivision.
- (2) The department shall develop, and the State Board of Education shall approve, a contract to be entered into with any publisher pursuant to paragraph (1). The department may develop the contract through negotiations with the publisher.

AB 356 — 34 —

- (3) For purposes of the contracts authorized pursuant to this subdivision, the department is exempt from the requirements of Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and from the requirements of Article 6 (commencing with Section 999) of Chapter 6 of Division 4 of the Military and Veterans Code.
- (4) The contracts shall include provisions for progress payments to the publisher for work performed or costs incurred in the performance of the contract. Not less than 10 percent of the amount budgeted for each separate and distinct component task provided for in each contract shall be withheld pending final completion of all component tasks by that publisher. The total amount withheld pending final completion shall not exceed 10 percent of the total contract price.
- (5) The contracts shall require liquidated damages to be paid by the publisher in the amount of up to 10 percent of the total cost of the contract for any component task that the publisher through its own fault or that of its subcontractors fails to substantially perform by the date specified in the agreement.
- (6) The contracts shall establish the process and criteria by which the successful completion of each component task shall be recommended by the department and approved by the State Board of Education.
- (7) The publishers shall submit, as part of the contract negotiation process, a proposed budget and invoice schedule, that includes a detailed listing of the costs for each component task and the expected date of the invoice for each completed component task.
- (8) The contracts shall specify the following component tasks, as applicable, that are separate and distinct:
- (A) Development of new tests or test items as required by paragraph (2) of subdivision (a).
  - (B) Test materials production or publication.
  - (C) Delivery of test materials to school districts.
  - (D) Test processing, scoring, and analyses.
- 36 (E) Reporting of test results to the school districts, including, but not limited to, all reports specified in this section.
- 38 (F) Reporting of test results to the department, including, but not limited to, the electronic files required pursuant to this section.

\_\_ 35 \_\_ AB 356

(G) All other analyses or reports required by the Superintendent of Public Instruction to meet the requirements of state and federal law and set forth in the agreement.

- (9) The contracts shall specify the specific reports and data files, if any, that are to be provided to school districts by the publisher and the number of copies of each report or file to be provided.
- (10) The contracts shall specify the means by which any delivery date for materials to each school district shall be verified by the publisher and the school district.
- (11) School districts may negotiate a separate agreement with the publisher for any additional materials or services not within the contracts specified in this subdivision, including, but not limited to, the administration of the tests to pupils in grade levels other than grades 3 to 11, inclusive. Any separate agreement is not within the scope of the contract specified in this subdivision.
- (f) The department, with approval of the State Board of Education, may enter into a separate contract for the development or administration of any test authorized pursuant to this part, including, but not limited to, item development, coordination of tests, assemblage of tests or test items, scoring, or reporting. The liquidated damages provision set forth in paragraph (5) of subdivision (e) shall apply to any contract entered into pursuant to this subdivision.
  - (g) This section shall become operative on July 1, 2005.
- SEC. 24. Section 60643.1 of the Education Code is amended to read:
- 60643.1. (a) (1) Commencing in the 1999–2000 school year, and each school year thereafter, the test publisher designated by the State Board of Education pursuant to Section 60642 shall make available a reading list on the Internet by June 1. The reading list shall include an index that correlates ranges of pupil reading scores on the English language arts portion of the achievement test designated pursuant to Section 60642 to titles of materials that would be suitable for pupils in each of grades 2 to 11, inclusive, to read in order to improve their reading skills. This reading list shall include titles of books that allow a pupil to practice reading at his or her current reading level and that will assist the pupil in achieving a higher level of proficiency. To the extent possible, the index shall also include information related to the subject matter

AB 356 — 36 —

 of each title. At a minimum, the reading list shall also categorize titles by subject matter and identify age-appropriate distinctions in the list.

- (2) Commencing in the 1999–2000 school year, and each school year thereafter, the test publisher shall make available, for purchase by school districts, a report that provides a numerical distribution of the reading scores of all pupils in California who took the achievement test designated pursuant to Section 60642.
- (3) Commencing in the 1999–2000 school year, and each school year thereafter, the test publisher shall make available, for purchase by school districts, reading lists that can be distributed to pupils based on a pupil's age and the ranges of scores on the English language arts portion of the achievement test designated pursuant to Section 60642.
- (4) The requirements of this subdivision shall only become operative upon a determination by the Director of Finance that funds are available to make an adjustment pursuant to subdivision (h) of Section 60640.
- (b) The State Board of Education and the Superintendent of Public Instruction shall jointly certify that the process used by the publisher to determine the reading levels of the corresponding reading list pursuant to paragraph (1) of subdivision (a) meets the following criteria:
  - (1) The process is educationally valid.
- (2) The process results in a reading list for each reading span that provides titles at the pupil's current reading level and the next higher level for challenging practice.
- (3) The process results in a selection from the universe of titles from the list developed pursuant to subdivision (d) that matches each reading level.
- (4) The process is unbiased in the selection of publishers' titles from the legal compliance list.
- (c) The titles listed at each reading level range posted on the Internet and the reading lists made available to school districts pursuant to subdivision (a) shall, at a minimum, include all relevant literature materials approved as of September 1, 1999, as being legally compliant pursuant to Article 3 (commencing with Section 60040) of Chapter 1, and the titles listed in all of the content area reading and literature lists that are developed and published by the State Department of Education and that have been

\_\_ 37 \_\_ AB 356

determined by the department to meet the relevant reading level as certified pursuant to subdivision (b).

- (d) By imposing the requirements of this section on publishers, it is not the intent of the Legislature to unfairly disadvantage any publisher who has otherwise met the requirements of this section or of Article 3 (commencing with Section 60040) of Chapter 1 of Part 33.
- (e) This section shall become inoperative on July 1, 2005, and, as of January 1, 2006, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2006, deletes or extends the dates on which it becomes inoperative and is repealed. SEC. 25. Section 60643.1 is added to the Education Code, to read:
- (a) (1) Commencing in the 1999–2000 school 60643.1. year, and each school year thereafter, the test publisher designated by the State Board of Education pursuant to Section 60642 shall make available a reading list on the Internet by June 1. The reading list shall include an index that correlates ranges of pupil reading scores on the English language arts portion of the achievement test designated pursuant to Section 60642 to titles of materials that would be suitable for pupils in each of grades 3 to 11, inclusive, to read in order to improve their reading skills. This reading list shall include titles of books that allow a pupil to practice reading at his or her current reading level and that will assist the pupil in achieving a higher level of proficiency. To the extent possible, the index shall also include information related to the subject matter of each title. At a minimum, the reading list shall also categorize titles by subject matter and identify age-appropriate distinctions in
- (2) Commencing in the 1999–2000 school year, and each school year thereafter, the test publisher shall make available, for purchase by school districts, a report that provides a numerical distribution of the reading scores of all pupils in California who took the achievement test designated pursuant to Section 60642.
- (3) Commencing in the 1999–2000 school year, and each school year thereafter, the test publisher shall make available, for purchase by school districts, reading lists that can be distributed to pupils based on a pupil's age and the ranges of scores on the English language arts portion of the achievement test designated pursuant to Section 60642.

AB 356 — 38 —

- (4) The requirements of this subdivision shall only become operative upon a determination by the Director of Finance that funds are available to make an adjustment pursuant to subdivision (h) of Section 60640.
- (b) The State Board of Education and the Superintendent of Public Instruction shall jointly certify that the process used by the publisher to determine the reading levels of the corresponding reading list pursuant to paragraph (1) of subdivision (a) meets the following criteria:
  - (1) The process is educationally valid.
- (2) The process results in a reading list for each reading span that provides titles at the pupil's current reading level and the next higher level for challenging practice.
- (3) The process results in a selection from the universe of titles from the list developed pursuant to subdivision (d) that matches each reading level.
- (4) The process is unbiased in the selection of publishers' titles from the legal compliance list.
- (c) The titles listed at each reading level range posted on the Internet and the reading lists made available to school districts pursuant to subdivision (a) shall, at a minimum, include all relevant literature materials approved as of September 1, 1999, as being legally compliant pursuant to Article 3 (commencing with Section 60040) of Chapter 1, and the titles listed in all of the content area reading and literature lists that are developed and published by the department and that have been determined by the department to meet the relevant reading level as certified pursuant to subdivision (b).
- (d) By imposing the requirements of this section on publishers, it is not the intent of the Legislature to unfairly disadvantage any publisher who has otherwise met the requirements of this section or of Article 3 (commencing with Section 60040) of Chapter 1 of Part 33.
  - (e) This section shall become operative July 1, 2005.
- SEC. 26. Section 60851 of the Education Code is amended to read:
- 60851. (a) Commencing with the 2005–06 school year and each school year thereafter, each pupil completing grade 12 shall successfully pass the exit examination as a condition of receiving a diploma of graduation or a condition of graduation from high

— 39 — AB 356

school. Funding for the administration of the exit examination shall be provided for in the annual Budget Act. The Superintendent of Public Instruction shall apportion funds appropriated for this purpose to enable school districts to meet the requirements of subdivisions (a), (b), (d), and (e). The State Board of Education shall establish the amount of funding to be apportioned per test administered, based on a review of the cost per test.

- (b) A pupil may take the high school exit examination in grade 9 in the 2000–01 school year only. Each pupil shall take the high school exit examination in grade 10 beginning in the 2001–02 school year and may take the examination during each subsequent administration, until each section of the examination has been passed or the pupil graduates.
- (c) Until the 2005–06 school year, the governing board of a school district may determine the role of the high school exit examination in the district's graduation requirement.
- (d) At the parent or guardian's request, a school principal shall submit a request for a waiver of the requirement to continue attempting to successfully pass the high school exit examination to the governing board of the school district for a pupil with a disability who has taken the high school exit examination with modifications that alter what the test measures and has received the equivalent of a passing score on one or both subject matter parts of the high school exit examination. A governing board of a school district may waive the requirement to continue attempting to successfully pass one or both subject matter parts of the high school exit examination for a pupil with a disability if the principal certifies to the governing board of the school district that the pupil has all of the following:
- (1) An individualized education program adopted pursuant to the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) or a plan adopted pursuant to Section 504 of the federal Rehabilitation Act of 1973 (29 U.S.C. Sec. 794(a)) in place that requires the accommodations or modifications to be provided to the pupil when taking the high school exit examination.
- (2) Sufficient high school level coursework either satisfactorily completed or in progress in a high school level curriculum sufficient to have attained the skills and knowledge otherwise needed to pass the high school exit examination.

AB 356 — 40 —

(3) An individual score report for the pupil showing that the pupil has received the equivalent of a passing score on the high school exit examination while using a modification that fundamentally alters what the high school exit examination measures as determined by the State Board of Education.

- (e) The high school exit examination shall be offered in each public school and state special school that provides instruction in grades 10, 11, or 12, on the dates designated by the Superintendent of Public Instruction. An exit examination may not be administered on any date other than those designated by the Superintendent of Public Instruction as examination days or makeup days.
- (f) The results of the high school exit examination shall be provided to each pupil taking the examination within eight weeks of the examination administration and in time for the pupil to take any section of the examination not passed at the next administration. A pupil shall take again only those parts of the examination he or she has not previously passed and may not retake any portion of the exam that he or she has previously passed.
- (g) Supplemental instruction shall be provided to any pupil who does not demonstrate sufficient progress toward passing the high school exit examination. To the extent that school districts have aligned their curriculum with the state academic content standards adopted by the State Board of Education, the curriculum for supplemental instruction shall reflect those standards and shall be designed to assist the pupils to succeed on the high school exit examination. This chapter does not require the provision of supplemental services using resources that are not regularly available to a school or school district, including summer school instruction provided pursuant to Section 37252. In no event shall any action taken as a result of this subdivision cause or require reimbursement by the Commission on State Mandates. Sufficient progress shall be determined on the basis of either of the following:
- (1) The results of the assessments administered pursuant to Article 4 (commencing with Section 60640) of Chapter 5 of Part 33 and the minimum levels of proficiency recommended by the State Board of Education pursuant to Section 60648.
- (2) The pupils' grades and other indicators of academic achievement designated by the district.

— 41 — AB 356

1 SEC. 27. Section 60856 of the Education Code is amended to 2 read:

3 60856. After adoption and the initial administrations of the high school exit examination the State Board of Education, in 5 consultation with the Superintendent of Public Instruction, shall study the appropriateness of other criteria by which high school 6 pupils who are regarded as highly proficient but unable to pass the high school exit examination may demonstrate their competency and receive a high school diploma. This criteria shall include, but is not limited to, an exemplary academic record as evidenced by 10 11 transcripts and alternative tests of equal rigor in the academic areas covered by the high school exit examination. If the State Board of 12 Education determines that other criteria are appropriate and do not 13 14 undermine the intent of this chapter that all high school graduates demonstrate satisfactory academic proficiency, the board, by 15 16 February 15, 2004 2005, shall forward its recommendations to the 17 Legislature for enactment.

SEC. 28. Section 60859 of the Education Code is repealed.